



# *The Insider*

[www.senate.mi.gov/switalski](http://www.senate.mi.gov/switalski)

## **Inside State Politics with State Senator Mickey Switalski Senate District 10**

**March 30, 2006**

Welcome to the electronic version of *The Insider*. I would like to take the opportunity to thank you for your support and giving me an opportunity to represent you in the Michigan Senate. It is my sincere hope that this bi-weekly e-newsletter will keep you informed of the happenings in Lansing while staying true to the traditional style of *The Insider*. If you would like to contact me, please feel free to e-mail me at [senmswitalski@senate.michigan.gov](mailto:senmswitalski@senate.michigan.gov) or call me at my Roseville or Lansing office. You can also meet me in person during my constituent hours, coming to a library near you. Call my office and make an appointment or just walk in. See schedule for details.

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### **Mickey's Letter Bag: Eliminating the SBT?**

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Dear Senator:

While I agree that we should have a strategy to replace the lost revenue (or reduce our spending- novel idea) before we drop the SBT, we would be short sighted if we think only about the revenue that comes from taxes. We need to think about how the SBT going away would help bring jobs and revenue to the State. We aren't creating a crisis, we are in one! If we don't bite the bullet now when will we? Because of the downturn in the auto industry, we already are not attracting new business the way we should. The SBT is just another deterrent. We spend a lot of time talking about attracting technology but we need businesses that employ the folks displaced by the Auto industry in the meantime. Inaction will result in losses greater than the SBT tax loss. I don't like working to deadlines either but without them, sometimes, nothing happens. I think we should put the incentive out there and "Get R' Done!"

Tom Stockman  
Sterling Heights

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Dear Senator Switalski,

I would hope you are aggressively promoting the elimination of Michigan's Single Business Tax. With 48 out of 50 states ahead of Michigan in the amount of business tax liabilities for emerging businesses, we need to aggressively reduce the tax burden for business. But please do not try to make a business tax cut neutral by increasing taxes to individuals or other areas. The tax cuts by the Federal government are showing that even with a tax rate reduction, total tax revenues are increasing as people are paying more taxes due to their investments and higher incomes.

Sincerely,  
Bob Cabble  
Sterling Heights

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Dear Senator:

I agree wholeheartedly with your position on the early elimination of the SBT, as should any intelligent person.

Times are tough enough in this state without adding to the revenue burden.

Something must be done to make operating a small business more appealing and lucrative, in order to attract more of the same.

However, whatever is done must not add additional burden to low and/or fixed income people who are struggling to survive now.

I can only hope that common sense will prevail.

Sincerely,  
Gene Zajac  
Sterling Heights

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Dear Senator Switalski,

My hunting partner and I are looking to start a small handyman business in Macomb County. We didn't even know about the SBT. My Son-in-law owns a small night club.

Both cases above would be and are hurt by the SBT.

I believe it is time for the government to start governing and stop the hand outs. No where in the Constitution does it say the government has to spend money supporting every group that comes along.

If some of the taxes were reduced maybe someone would step up to the plate to fund the "important" issues.

I believe in education and a good defense. However, some of the other items the government spends money on is not justified by the Constitution.

Thank You,  
Alan Beltz  
Roseville

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## **Mickey's Blog: Detroit Water Politics Leave Us All Wet**

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You would be shocked by two actions, taken by the Legislature since our last E-Insider, that defy all logic and proportion. Both actions involve the Detroit Water and Sewerage Department, and maybe that explains a lot.

When suburbanites hear "Detroit Water," many suspect that the City is about to raise their water and sewer bill. Many suburbanites distrust the City and often expect the worst. Suburban politicians know this, so some use the City as a punching bag. But last week they looked like Joe Frazier, who used to punch himself as he chased his opponent.

A lot of leaders who should know better have made a good living out of bashing Detroit. That's too bad. But I didn't get into politics to exploit people's suspicions and fears, so I won't support legislation that might sound good to you as a headline, but that would cause useless division and waste your money in reality.

Which brings me to the two actions of the past two weeks.

Detroit Mayor Kwame Kilpatrick and the Detroit Water and Sewerage Department recommended a 6% increase to water rates recently, and requested that the new rates be approved by the Detroit City Council. No one likes paying more for water, but Detroit's water is among the nation's best in terms of cost and quality. In a normal world the increase probably would have been accepted, with some grumbling, and we would have gone on to the next issue.

Instead, the Detroit City Council approved the rate increase for the suburbs, but left Detroit customers' rates unchanged.

That illegal, unjust and foolish action unleashed a barrage of well-deserved criticism. Suburbanites were justifiably outraged. Mayor Richard Notte of Sterling Heights and I were in Lansing the next day, and questioned the City of Detroit's lobbyist on how the Council could have done such a dumb thing and how we suburbanites would not tolerate it. He apologized and assured us that the decision would be reversed the next day.

It was.

For the second time in a row, the first being their embarrassing blunder on the Detroit Zoo, the Council had to quickly reverse itself and adopt the Mayor's original proposal. You would think that only a political genius could convincingly portray Kwame Kilpatrick as a wise and reasonable leader to suburbanites, but the Detroit Council did it twice in a week.

But Lansing elevated this comedy to a farce.

The Legislature immediately passed a law to create a Suburban Board to oversee the Detroit Water Department. Proponents claimed that now the department would be run fairly and efficiently. At least that is how the headlines described it.

But the actual language in the bill was quite different.

The “Board” created in the bill was actually an “Advisory Board” with no power to approve, disapprove, modify or reduce any water rates. So the Board had no power to do anything about water rates. Yet the bill also permitted the Advisory Board to hire an executive director and a staff.

In other words, the solution this bill proposed was to create another powerless bureaucracy with no control over water rates. In fact, passage would result in higher water bills, because users of the system would now have to pay for an additional powerless layer of state government.

I know many people dislike Detroit, but I don’t think their feelings have blinded them to the extent of wanting to hire a useless bureaucracy to advise us that rates are too high.

We already know that. But the bill passed anyway. Thank God the Governor will veto it.

The second piece of nonsense was a resolution to request a Federal Judge to force the Mayor of Detroit to submit Water Department contract documents to the Detroit City Council rather than to continue submitting them to the Judge.

Now just ask yourself: Would you go out of your way to replace a Federal Judge’s oversight with oversight by the Detroit City Council? Would you do this after the Council had just committed historic blunders in decisions made on the future of the Detroit Zoo and on establishing water rates in the City and suburbs?

There are sensible things we could do. If you think about it, the water should belong to the public. No one can own it, and Detroit can only manage the system so long as they manage it in the best interests of all of the users. If they ran it to benefit themselves at the expense of the other users, we would be justified in taking management of the system away, after just compensation. But at present, we should reform the existing Water Board. Each of the suburbs, including Macomb, has a seat on the Board. But that seat is appointed by the Mayor of Detroit. We don’t even get to appoint our own representative!

Surely Macomb should be able to appoint its own representative.

My bill to accomplish this has languished in the Senate for years.

Instead we pass bills to create powerless bureaucracies and give more power to the Detroit City Council.

Go figure!

What do you think? Please feel free to e-mail me your comments and I will post some of your responses in the next issue of the *Insider E-newsletter*.

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## Mickey's TV Insider Show

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Check out my TV Insider Show coming to a television station near you. Watch me interview local guests about politics, life, issues and concerns to our district.

### **Sterling Heights**

Every Saturday and Sunday at 12:30 p.m.  
(Comcast Channel 5/WOW Channel 10)

### **Utica**

Every Wednesday at 9 a.m.  
(Comcast Channel 5/WOW Channel 10)

### **Clinton Township**

Last week of every month- Sat thru Thurs  
(Comcast Channel 5/WOW Channel 10)

### **Roseville**

Various Times  
(Comcast Channel 18)

\*Please note that Sterling Heights/Utica/Clinton Township will show the TV Insider Show on Comcast Channel 5 and Wide Open West Channel 10. Clinton Township will air the TV Insider Show at various times during the last week of every month. Roseville can see the TV Insider Show on Comcast Channel 18.

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## Coffee Hours

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\*Since my District Office is in Roseville, I do not have set coffee hours in Roseville. However, I encourage you to visit the Roseville office. We even have a coffee pot. Everyone is welcome to attend the coffee hours and discuss their issues and concerns. Please note that I will not be having my coffee hours in Sterling Heights on April 3, but will back there in May. Stay tuned for details in the future.

<b>April 24</b> <b>7-9 p.m.</b>  Location: Clinton-Macomb Public Library (35891 Gratiot, north of 15 Mile) Clinton Township	<b>May 1</b> <b>7-9 p.m.</b>  Location: Sterling Heights Public Library (40255 Dodge Park) Sterling Heights
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## Contact My Office

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